

**STATE OF INDIANA
DIVISION OF DISABILITY AND
REHABILITATIVE SERVICES
(DDRS)**

**Provider Cost Survey
Instructions**

May 17, 2007

INTRODUCTION

The survey that accompanies these instructions is designed to gather information about your revenue and your cost of providing services to people with developmental disabilities. The information is being requested as part of a rate study by Davis Deshaies LLC for the Indiana Division of Disabilities Rehabilitative Services (DDRS). This survey is in response to a mandate from the Medicaid Centers for Medicare and Medicaid (CMS) to develop fair and equitable rates that are linked to a standardized needs assessment tool. The results of the survey will be reviewed by DDRS and presented to CMS for consideration.

In the survey, information for the partial State Fiscal Year 2007 (beginning July 1, 2006 through March 31, 2007) is being requested.

The survey is presented in an electronic version and is available at www.davideshaies.com. Should you wish a hard copy, please contact Norm Davis (425.778.1612) for a printed version. Please complete and return the survey by June 22, 2007 to Kellie Calita at the following address:

Kellie Calita
DDRS Initiatives
402 W. Washington Street
P.O. Box 7083
Indianapolis, Indiana 46207-7083
e-mail: Kellie.Calita@fssa.IN.gov

We realize that completing this survey requires a significant investment of time; however, the information that you provide is crucial for developing fair and equitable rates. We encourage you to respond as completely and accurately as possible.

We will check on the validity of responses by conducting site reviews of randomly selected providers. We are requesting the name of a contact person in the survey in the event that we select your organization for review. We will also contact this person if we have any questions about your survey responses.

Completed surveys should be returned by June 22, 2007 to **Kelly Calita, DDRS Initiatives, 402 W. Washington Street, P.O. Box 7083, Indianapolis, Indiana 46207-7083**. If you have any questions, please contact Kellie at 317.234.2708, or Norm Davis at 425.778.1512.

PROVIDER COST SURVEY INSTRUCTIONS FOR INCOME & EXPENSE WORKSHEET

These instructions are organized into two sections. The first section deals with Worksheet: INCOME & EXPENSE. In this worksheet, SFY 2007 revenue and expenditure data is collected for each of the HCBS services operated by the provider agency. The second section deals with Worksheet: ITEMIZED EXPENSES. In this worksheet, detailed costs are collected for each account category of costs.

SECTION 1: INCOME & EXPENSE WORKSHEET

The purpose of the Income & Expense worksheet is to describe ALL REVENUE AND COSTS associated with the delivery of HCBS and related services. As such the worksheet is organized into five (5) cost centers and twenty-nine (29) HCBS service categories. The **cost centers** are:

1. COST CENTER 1 – Direct Care Staff Compensation Expenses
2. COST CENTER 2 – Administrative Staff Compensation Expenses
3. COST CENTER 3 – Program-Related and Clinical Staff Compensation Expenses
4. COST CENTER 4 - Supplies, Materials, Transportation, and Equipment Expenses
5. COST CENTER 5 – Facility-Based Expenses

The **HCBS service categories** are:

- | | |
|--|--|
| 1. Residential Habilitation – All Services | 17. Respite Care – Attendant Care |
| 2. Adult Foster Home – Level 1 | 18. Respite Care – Nursing |
| 3. Adult Foster Home – Level 2 | 19. Respite Care – Family negotiated / non-agency |
| 4. Adult Foster Home – Level 2 | 20. Occupational Therapy |
| 5. Day Habilitation – Facility based | 21. Physical Therapy |
| 6. Day Habilitation – Non-Facility based | 22. Speech Therapy |
| 7. Adult Day Services – Senior | 23. Recreational Therapy |
| 8. Adult Day Services – Transportation | 24. Music Therapy |
| 9. Individual Supported Employment – Active | 25. Behavioral Management |
| 10. Individual Supported Employment – Follow-Along | 26. Personal Response Systems |
| 11. Community Transition | 27. Medical Equipment / Environmental Modifications |
| 12. Crisis Intervention | 28. Rent & Food Expenses for Unrelated Live-in people |
| 13. Family Care & Training – Non-Family | 29. Residential Services Living Allowance – this service is NOT covered by the HCBS waiver; for analysis purposes only, the revenue and costs are tracked. |
| 14. Family Care & Training – Family | |
| 15. Respite Care – Group | |
| 16. Respite Care – Home Health Aide | |

Definition of General Terms

1. **State Fiscal Year:** Only income and expenses which occurred from July 1, 2006 through March 31, 2007 should be included. This will represent 9 months of income and expense experience.

2. **Service category:** For each HCBS category of service, applicable billing codes are provided as reference. Service definitions are available in Appendix B of the Indiana HCBS waivers for Developmental Disabilities, Autism, and Support Services.

3. **Cost Allocation Directions:**
 - *Shared Staff Time* - In those instances where consumers receive multiple services from the same direct care staff, income and expense data should be pro-rated to the appropriate service code based upon the amount of consumer participation time. Unless detailed data is available, estimates will be sufficient.
 - *Pro rating Administrative and Program Management Time* – Administrative costs and staff time may be pro-rated across services based upon the amount of income in each service category. Program management costs should reflect the actual amount of time dedicated to a specific service category.

4. **Staff Definitions:** Staff time is measured in Full-Time Equivalent (FTE) positions. One FTE equals 2,080 hours per year. Consumers who are employees of a Day Habilitation program are not considered as provider staff for purposes of this analysis. There are three groups of provider staff.
 - *Direct Care Staff* - Direct care staff are defined to be those individuals in paid status whose primary responsibility is the day to day support of people with disabilities, training and instruction, and assistance with and management of activities of daily living. Direct care workers can be either employees of an agency, or may be self-employed, so long as 85% of their work activities include daily supports to people with disabilities.
 - *Administrative Services Staff* - Staff who primarily provide budget, accounting, office services, and human resource management services. Staff in these positions typically spends 90% or more of their time providing these services.
 - *Program Support Staff:* Staff who primarily provide clinical guidance, consumer-related staff supervision, quality assurance, or staff training. Also included are staff who perform housekeeping and maintenance duties.

Directions for completing the Worksheet: INCOME & EXPENSES are provided for each line of data. Data is required for the General Information, Income, and Expense sections of the worksheet. Please enter the data for those services which apply to the provider agency.

PART I — GENERAL INFORMATION

General Information

- Line 1:** Enter the organization's legal name
- Line 2:** Enter the organization's street address.
- Line 3:** Enter the Indiana city in which the provider is headquartered
- Line 4:** Enter the zip code in which the provider is headquartered
- Line 5:** Enter Indiana FSSA Service Agreement Number
- Line 6:** Enter the date when the worksheet was completed
- Line 7:** Provide the name of the contact person providing the information
- Line 8:** Provide the e-mail address of the contact person
- Line 9:** Provide the contact person's telephone number

PART II – INCOME INFORMATION

Income Information

- Line 10:** Enter all income received from Medicaid Title XIX HCBS DD, SSW, and Autism sources for the time period July 1, 2006 through March 31, 2007. Income should reflect both federal and state match. Income should be listed only for those service categories listed in Line xx which are provided by the agency. Exclude non-cash contributions and in-kind donations.
- Line 11:** Enter income received from Other Funds (e.g. state fund only) for services to HCBS consumers. Income should be listed only for those service categories listed in Line xx which are provided by the agency. Exclude non-cash contributions and in-kind donations. Also excluded from reportable income are SSI, SSDI, and SSA payments, and third-party payers of service.

PART III – EXPENSE INFORMATION**Cost Center I - Direct Care Staff Compensation Expenses**

- Line 12:** Enter direct care staff salaries including regular, overtime, and call back compensation. Salaries and wages include all taxable compensation, including deferred compensation and bonuses reported to the IRS. Salary and wages do not include dividend disbursements made by a corporation to shareholders. For direct care staff who perform duties in multiple HCBS service categories, allocate costs based upon consumer participation.
- Line 13:** Enter FICA including Social Security and Medicaid taxes for direct care staff. Apply allocation factors used in Line 12.
- Line 14:** Enter Health Care Insurance premium expenses for direct care staff. Apply allocation factors used in Line 12.
- Line 15:** Enter Retirement Pension and 401k expenses for direct care staff. Apply allocation factors used in Line 12.
- Line 16:** Enter Workers Compensation Insurance expenses for direct care staff. Apply allocation factors used in Line 12.
- Line 17:** Enter State Unemployment expenses for direct care staff. Apply allocation factors used in Line 12.
- Line 18:** Enter Employee Bonus expenses for direct care staff. Apply allocation factors used in Line 12.
- Line 19:** Enter Other Taxable Compensation expenses (e.g. living allowance, assigned vehicle, housing allowance) for direct care staff. Apply allocation factors used in Line 12.
- Line 20:** Enter expenses for CONTRACTED direct care staff (staff who are not provider employees and reimbursed as 1099 employees). Apply allocation factors used in Line 12.
- Line 21:** Enter total number of direct care Full-Time Equivalent (FTE) positions employed by the agency. Do not include contracted positions. Apply allocation factors used in Line 12.

Cost Center II - Administrative Staff Compensation Expenses

- Line 22:** Enter administrative staff salaries including regular, overtime, and call back compensation. Salaries and wages include all taxable compensation, including deferred compensation and bonuses reported to the IRS. Salary and wages do not include dividend disbursements made by a corporation to shareholders. For direct care staff who perform duties in multiple HCBS service categories, allocate costs based upon the distribution of revenue between services. If different cost allocation assumptions are used, please describe in NOTE: Line 56.
- Line 23:** Enter FICA including Social Security and Medicaid taxes for administrative staff. Apply allocation factors used in Line 12.
- Line 24:** Enter Health Care Insurance premium expenses for administrative staff. Apply allocation factors used in Line 12.
- Line 25:** Enter Retirement Pension and 401k expenses for administrative staff. Apply allocation factors used in Line 12.
- Line 26:** Enter Workers Compensation Insurance expenses for administrative staff. Apply allocation factors used in Line 12.
- Line 27:** Enter State Unemployment expenses for administrative staff. Apply allocation factors used in Line 12.
- Line 28:** Enter Employee Bonus expenses for administrative staff. Apply allocation factors used in Line 12.
- Line 29:** Enter Other Taxable Compensation expenses (e.g. living allowance, assigned vehicle, housing allowance, etc.) for direct care staff. Apply allocation factors used in Line 12.
- Line 30:** Enter expenses for CONTRACTED administrative staff (staff who are not provider employees and reimbursed as 1099 employees). Apply allocation factors used in Line 12.
- Line 31:** Enter total number of administrative Full-Time Equivalent (FTE) positions employed by the agency. Do not include contracted positions. Apply allocation factors used in Line 12.

Cost Center III - Program Support Staff Compensation Expenses

- Line 32:** Enter program support and clinical staff salaries including regular, overtime, and call back compensation. Salaries and wages include all taxable compensation, including deferred compensation and bonuses reported to the IRS. Salary and wages do not include dividend disbursements made by a corporation to shareholders. For program support and clinical staff who perform duties in multiple HCBS service categories, allocate costs based upon consumer participation.
- Line 33:** Enter FICA including Social Security and Medicaid taxes for program support and clinical staff. Apply allocation factors used in Line 12.
- Line 34:** Enter Health Care Insurance premium expenses for program support and clinical staff. Apply allocation factors used in Line 12.
- Line 35:** Enter Retirement Pension and 401k expenses for program support and clinical staff. Apply allocation factors used in Line 12.
- Line 36:** Enter Workers Compensation Insurance expenses for program support and clinical staff. Apply allocation factors used in Line 12.
- Line 37:** Enter State Unemployment expenses for program support and clinical staff. Apply allocation factors used in Line 12.
- Line 38:** Enter Employee Bonus expenses for program support and clinical staff. Apply allocation factors used in Line 12.
- Line 39:** Enter Other Taxable Compensation expenses (e.g. living allowance, assigned vehicle, housing allowance) for program support and clinical staff. Apply allocation factors used in Line 12.
- Line 40:** Enter expenses for CONTRACTED program support and clinical staff (staff who are not provider employees and reimbursed as 1099 employees). Apply allocation factors used in Line 12.
- Line 41:** Enter total number of program support and clinical Full-Time Equivalent (FTE) positions employed by the agency. Do not include contracted positions. Apply allocation factors used in Line 12.

Cost Center IV - Supplies, Materials, Transportation, Equipment Expenses

- Line 42:** Enter Equipment Acquisition expenses. This category included both program and administrative equipment, but excluded all transportation expenses.
- Line 43:** Enter Supplies and Materials. This category includes both program and administrative supplies and materials, but excludes all transportation expenses.
- Line 44:** Enter Consumer Transportation. Included in this category are vehicle purchase, lease, maintenance and repair, fuel, and insurance expenses related to transportation of consumers.
- Line 45:** Enter Employee Transportation. Included in this category are vehicle purchase, lease, maintenance and repair, fuel, and insurance expenses related to employee work-related transportation.
- Line 46:** Enter Professional Liability Insurance & Licenses. Included in this category are all professional insurance and licensing expenses.
- Line 47:** Enter Other Expenses. Please include all other expense not captured in the above categories.

Cost Center V - Facility-Based Expenses

- Line 48:** Enter Rents and Mortgages. Please exclude costs covered by SSI.
- Line 49:** Enter Building Utility. Examples include power, water, telephone, and sewer.
- Line 50:** Enter Building Maintenance and Repairs. Include non-staff related expenses.
- Line 51:** Enter Other Capital Costs.
- Line 52:** Enter Debt Service. Include both principle and interest expenses.
- Line 53:** Enter Real Estate Taxes.
- Line 54:** Enter Building Insurance.
- Line 55:** Enter Depreciation.

Note on Allocation of Administrative Costs

- Line 56:** IF DISTRIBUTION OF REVENUE was not used as to allocate administrative costs across multiple HCBS services, please describe the process used. As examples, allocations amounts may be based on the number of staff providing the services, different needs for supervision and training among the services, differences in the amount of paperwork that needs to be completed, or some other method.

SECTION 2: ITEMIZED EXPENDITURE WORKSHEET**General Instructions**

The second section of the Provider Cost Survey is the ITEMIZED EXPENDITURE WORKSHEET. In this worksheet, ALL expenditures should be reported. A detailed chart of accounts is provided; data should be entered in the appropriate code. In those instances where no code seems to apply, a “best fit” judgment should be used. Staff from Davis Deshaies LLC will follow up with providers to review and adjust any reporting anomalies. Guidelines for select chart of account codes are contained on the ITEMIZED EXPENDITURE WORKSHEET form.